

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2003-346-E - ORDER NO. 2005-460  
AUGUST 31, 2005

IN RE: Application of Duke Power, A Division of	) ORDER APPROVING
Duke Energy Corporation for Approval of	) AMENDMENTS TO
Experimental (Pilot) Fixed Payment Program	) PILOT PROGRAM
for Small General Service Customers.	)

This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of Duke Power, a division of Duke Energy Corporation (Duke or the Company) for approval of amendments to the previously approved Experimental (Pilot) Fixed Payment Program for Small General Service Customers. This program was approved by this Commission in Order No. 2003-743.

The program offers a pilot fixed payment program for small general service customers modeled on the Company's similar residential program. The pilot was limited to 500 customers within six specific categories of the Standard Industrial Classification (SIC) Manual published by the United States Government. In our Order, we concluded that the program may provide benefits to Duke's small business general service customers and that certain of these customers may find the certainty of fixed monthly bills to be a valuable tool in managing their cash flows.

Since this approval, Duke has completed one program year under the pilot. According to Duke, nearly 150 small business customers participated in the program and

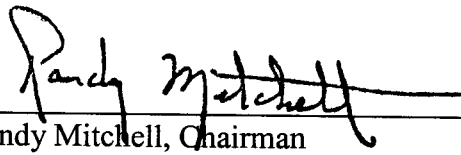
an additional 300 expressed interest after the enrollment period ended. The participating customers responded favorably to the program, according to Duke, with 91% renewing for a second year. These customers were surveyed and 72% of those responding stated that they were highly satisfied or satisfied with the program. Another 41% indicated that the program improved their overall impression of Duke.

Given this positive response, Duke would like to expand the program to offer it to customers in all standard industrial classification categories in order to gain additional experience regarding customer interest in the program and small business customers' usage response to the program. Therefore, Duke proposes to amend the Availability provision in the tariff to (1) increase the number of customers who may participate in the program to 1200, and (2) remove the limitation on eligible standard industrial classification categories as set forth in the enclosed proposed amended program tariff.

It appears to this Commission that the proposed amendments are reasonable, given the positive initial response to the program that Duke received. Offering the program to more customers in order to gain further experience with the program is logical. Accordingly, the proposed amendments to the program are hereby approved.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
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Randy Mitchell, Chairman

ATTEST:

  
\_\_\_\_\_  
G. O'Neal Hamilton, Vice-Chairman

(SEAL)